



Legislation Details (With Text)

File #: 22-0163 **Version:** 3 **Name:** Azure Flight Support
Type: Contract **Status:** Passed
File created: 4/25/2022 **In control:** City Council
On agenda: 3/14/2023 **Final action:** 3/14/2023
Title: Approval of extension of contract with Azure Flight Support

Sponsors:

Indexes:

Code sections:

Attachments: 1. CSV Lease and Operating Agreement Draft 01-09-23.pdf, 2. Azure Contract_Signed

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|--------------------------|--------|
| 3/14/2023 | 3 | City Council | approved as recommended | Pass |
| 3/7/2023 | 3 | Work Session | recommended for approval | |
| 11/8/2022 | 2 | City Council | approved | Pass |
| 11/1/2022 | 1 | Work Session | | |
| 10/4/2022 | 1 | Work Session | | |
| 7/5/2022 | 1 | Work Session | presented | |
| 6/7/2022 | 1 | Work Session | withdrawn from agenda | |

Approval of extension of contract with Azure Flight Support

SUMMARY: Azure Flight Support is interested extending their contract out past another year so they can continue to invest in their operation with a long-term view. Their current contract expires May 16, 2023.

Over the past three years, Azure has invested over \$500,000 in airplanes, tooling and equipment and parts inventory for maintenance. It is their intention to continue to invest in the growth of the operation with newer generation aircraft for training, and growing maintenance and aircraft sales as well.

Azure is also interested in constructing at least one hangar to use for operations and as an investment. If the opportunity exists, Azure wishes to build two hangars. They intend on continued growth and need the ability to have hangar space that would allow them to manage a turbine aircraft (King Air, Pilatus, Cirrus Jet or comparable) that would be based at the Crossville airport.

Staff recommends approval of the early renewal of the Azure contract to include a five-year renewal with a five-year automatic option, 10% increase, provision for inflation based annual increase, and provision of cost-sharing for the Quonset Hut. All of this will be contingent upon City Council approval of an updated/revised contract.

BUDGET ACCOUNT:

NECESSARY COUNCIL ACTION: Approve contract extension as recommended contingent upon City Council approval of final contract.